

APRIL 18, 2006 AGENDA REPORTS

Agenda Item No. 5a.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0399

TO: Mayor and City Council Members

SUBJECT: Petition to construct a Water Distribution System in Casa De La Familia Addition (north of 32nd St. North, east of Arkansas Avenue) (District VI)

INITIATED BY: Department of Public Works

AGENDA: Consent

Recommendation: Approve the Petition.

Background: The Petition has been signed by one owner representing 100% of the improvement district.

Analysis: The project will serve a new commercial development located north of 32nd St. North, east of Arkansas Avenue.

Financial Considerations: The Petition totals \$30,000. The funding source is special assessments.

Legal Considerations: State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of a majority of property in the improvement district.

Recommendation/Action: It is recommended that the City Council approve the Petition, adopt the Resolution and authorize the necessary signatures.

Agenda Item No. 5b.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0400

TO: Mayor and City Council Members

SUBJECT: Petition to construct a Water Distribution System in Harrison Park 3rd Addition (north of Harry, east of Webb) (District II)

INITIATED BY: Department of Public Works

AGENDA: Consent

Recommendation: Approve the Petition.

Background: The Petition has been signed by two owners representing 100% of the improvement district.

Analysis: The project will provide water service to a new commercial development located north of Harry, east of Webb.

Financial Considerations: The Petition totals \$44,000. The funding source is special assessments.

Legal Considerations: State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of a majority of property in the improvement district.

Recommendation/Action: It is recommended that the City Council approve the Petition, adopt the Resolution and authorize the necessary signatures.

Agenda Item No. 5c.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0401

TO: Mayor and City Council Members

SUBJECT: Petition to pave Village Parkway in North Ridge Village Addition (north of 37th St. North, west of Ridge) (District V)

INITIATED BY: Department of Public Works

AGENDA: Consent

Recommendation: Approve the new Petition.

Background: On March 22, 2005, the City Council approved a Petition to pave Village Parkway in North Ridge Village Addition. Based on recent bid prices, it is doubtful that there is sufficient funding in the Petition budget to award a construction contract. The developer has submitted a new Petition with an increased budget. The signatures on the new Petition represent 100% of the improvement district.

Analysis: The project will serve a new commercial development located north of 37th St. North, west of Ridge.

Financial Considerations: The existing Petition totals \$670,000. The new Petition totals \$799,000. The funding source is special assessments.

Legal Considerations: State Statutes provide that a Petition is valid if signed by a majority of resident property owners or owners of the majority of the property in the improvement district.

Recommendations/Actions: It is recommended that the City Council approve the new Petition, adopt the Resolution and authorize the necessary signatures.

Agenda Item No. 6.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0402

TO: Mayor and City Council

SUBJECT: Community Events

INITIATED BY: City Manager's Office

AGENDA: Consent

Recommendation: Approve the request for street closure.

Background: In accordance with the Community Events Procedure, the event promoter has notified adjacent property owners and coordinate arrangements with Staff, subject to final approval by the City Council.

Analysis: The following street closure request has been submitted:

- 1) Wichita Cyclefest Race Series – Saturday, May 6, 2006 from 9:00 am –6:30 pm
East 35th Street North, East 36th Street North and North Ridgewood Drive. No major streets are impacted.

Client will arrange to remove blockades as necessary to allow residents and emergency vehicle access during entire designated time period. Adjacent property owners have consented to the requested closure and have responded with signed approval.

Financial Consideration: Inasmuch as possible, event sponsors are responsible for all costs associated with special events.

Recommendation/Actions: It is recommended that the City Council approve the request subject to: (1) Hiring off-duty certified law enforcement officers as required; (2) Obtaining barricades to close the streets in accordance with requirements of Police, Fire and Public Works Department.

Agenda Item No. 7a.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0403

TO: Mayor and City Council

SUBJECT: Agreement to Respread Assessments: Auburn Hills 16th Addition (south of Maple, west of 119th Street West) (District V)

INITIATED BY: Department of Finance

AGENDA: Consent

Recommendation: Approve the Agreement.

Background: The landowner, West Wichita Development, Inc., platted Auburn Hills 16th Addition and has submitted an Agreement to respread special assessments within the Addition.

Analysis: The land was originally included in a number of improvement districts for several public improvement projects. The purpose of the Agreement is to respread special assessments on a fractional basis for each lot. Without the Agreement, the assessments will be spread on a square foot basis.

Financial Considerations: There is no cost to the City.

Legal Considerations: The Agreement has been approved as to form by the Law Department.

Recommendations/Actions: It is recommended that the City Council approve the Agreement and authorize the necessary signatures.

Agenda Item No. 7b.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0419

TO: Mayor and City Council

SUBJECT: Snacks for the Summer of Discovery Program (All Districts)

INITIATED BY: Department of Park and Recreation

AGENDA: Consent

Recommendation: Approve the contract.

Background: Summer of Discovery (SOD) is a weekly summer camp program offered for children ages 6-13. Camp is conducted at nine of the Recreation Centers and provides weekly summer activities for approximately 500-550 campers during the 10-week program. Camp hours are from 7:00 AM to 6:00 PM. In order to meet the required KDHE nutritional guidelines, it is necessary that the program offer each participant two snacks per day.

Analysis: A request for proposal (RFP 600024) to provide snacks for the Summer of Discovery program was issued earlier this year. A proposal submitted by Via Christi Regional Medical Center met the RFP criteria in terms of qualifications, experience, references and pricing of snacks. The Screening and Selection committee unanimously ranked Via Christi as the number one company submitting a proposal.

Financial Considerations: If camp registration meets the maximum capacity of 585 campers per week x 10 weeks, approximately 58,500 snacks will be needed to meet programming nutritional needs. The estimated cost for snacks would be \$35,100. The SOD program has sufficient funding for snacks and other food items needed for the program.

Legal Considerations: The Law Department has reviewed and approved the contract as to form. The contract will be for one year with annual renewal options for an additional two years.

Recommendations/Actions: It is recommended that the City Council: 1.) Approve the selection of Via Christi Regional Medical Center; and 2.) Authorize necessary signatures.

Agenda Item No. 8.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0404

TO: Mayor and City Council Members

SUBJECT: Change Order: River Corridor Improvements (District VI)

INITIATED BY: Department of Public Works

AGENDA: Consent

Recommendation: Approve the Change Order.

Background: On April 5, 2005, the City Council approved a construction contract with Dondlinger and Sons for River Corridor improvements. A part of the work is the construction of a concrete footing to support the plaza on the east bank of the Little Arkansas River. Exploratory excavation has revealed that the soil conditions are unsuitable for a poured concrete footing and that driven steel pilings are needed.

Analysis: A Change Order has been prepared for the additional work. Funding is available within the project budget.

Financial Considerations: The total cost of the additional work is \$20,980 with the total paid by General Obligation Bonds. The original contract amount is \$20,595,000. This Change Order plus previous change orders represents 0.36% of the original contract amount.

Legal Considerations: The Law Department has approved the Change Order as to legal form. The Change Order amount is within the 25% of construction contract cost limit set by City Council policy.

Recommendation/Action: It is recommended that the City Council approve the Change Order and authorize the necessary signatures.

*Attachment: Change Order

To: Dondlinger & Sons

Project: Wichita River Corridor Improv.

Proj. and Cable Stayed Pedestrian Bridges over Big and Little Arkansas Rivers

Change Order No.: 2

Project No.: 87TE-0176-01/472-82799

Purchase Order No.: 500600

OCA No.: 706556/715691

CHARGE TO OCA No.: 706556

PPN: 405209/242107

Please perform the following extra work at a cost not to exceed \$10,565.60

Measured quantities for the 90 auger cast piles at the Keeper Plaza overran by 264.14 feet to achieve adequate penetration in the underlying clay layer for bearing. Add 264.14 lf of auger cast piles at the bid measured quantity price of \$40.00 per lf.

Measured Quantity Bid Item:

Auger Cast Piles

264.14 lf @ \$40.00/lf

$$=$$

\$10,565.60

Recommended By:

Approved:

Stan Breitenbach, P.E.

Date _____

Jim Armour, P.E.

Date _____

Special Projects Coordinator

City Engineer

Approved:

Approved:

Contractor

Date

Chris Carrier, P.E.

Date

Director of Public Works

Approved as to Form: By Order of the City Council:

Gary Rebenstorf

Date

Carlos Mayans, Mayor

Director of Law

Attest: _____

City Clerk

Agenda Item No. 9.

CITY OF WICHITA
City Council Meeting
April 18, 2006

Agenda Report No. 06-0405

TO: Mayor and City Council Members

SUBJECT: Acquisition of 3510 East Kinkaid Street for the Dry Creek Basin Property Acquisition Project (District III)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Approve the acquisition

Background: There have been several, flooding incidents along the Dry Creek basin in East Wichita. As a result of this, the City Council approved a voluntary property acquisition program. The program calls for the acquisition of up to 19 residential properties that have habitable floors that are below the one hundred year flood elevation. One such property is 3510 East Kinkaid Street, built in 1955. The irregular shaped site consists of 16,086 square feet and is improved with a 2,202 square foot brick, ranch single family residence.

Analysis: The appraised value of \$140,000 was offered to the owner. The owner has agreed to sell the property for this amount. The improvements will be removed and the site maintained as open space.

Financial Considerations: A budget of \$145,750 is requested. This includes \$140,000 for the acquisition, \$5,000 for demolition and \$750 for closing costs and title insurance. The funding source is the Storm Water Utility.

Legal Considerations: The Law Department has approved the contract as to form.

Recommendation/Action: It is recommended that the City Council; 1) Approve the Real Estate Purchase Contract and 2) Authorize all necessary signatures.

Agenda Item No. 10.

CITY OF WICHITA
City Council Meeting
April 18, 2006

Agenda Report No. 06-0406

TO: Mayor and City Council Members

SUBJECT: Surplus property located at 202 North Gow (District VI)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Declare the property surplus.

Background: The property under consideration is located at 202 North Gow. The City acquired this property as part of the First and Second Street Drainage Outfall Project approved November 19, 2002. Construction of the Drainage Outfall project was completed in 2006. The property consists of two typical residential lots. There is a 1954, three bedroom, 1,068 square foot, brick ranch style house located on the north lot. The improvements on the south lot have been razed to accommodate the City's Drainage Outfall construction and easements. The south lot is no longer a developable tract and would be sold as part of the residential site. The site as a whole is 15,340 square feet and is zoned for Two-Family Use.

Analysis: All City departments have been notified and have shown no interest in the property.

Financial Considerations: The City will receive cash consideration for the sale of the property. The surplus and sale of this property to a private party will place additional value into the tax base.

Legal Considerations: None

Recommendation/Action: Declare the property as surplus and designate it as available for sale to the general public.

Agenda Item No. 11.

CITY OF WICHITA
City Council Meeting
April 18, 2006

Agenda Report No. 06-0407

TO: Mayor and City Council Members

SUBJECT: Acquisition by Eminent Domain of Tracts Required for the Cowskin Creek Channel Improvement Project from Kellogg to Maple (District V)

INITIATED BY: Office of Property Management

AGENDA: Consent

Recommendation: Adopt the resolution and approve and place on first reading the ordinance providing for the acquisition by eminent domain of certain real property.

Background: The Cowskin Creek Channel Improvement Project will require the acquisition of all or part of fourteen tracts. One of the required acquisitions is a 6.66 acre parcel along the western portion of 1201 Seville. The parcel has 24.4 total acres and is improved with a 4,061 square foot residence. The acquisition does not physically impact the improvements. A second tract consists of 25.25 acres along the west part of a 65.51-acre site located at 9625 West Maple. A 40.94-acre temporary easement is also required. This site is improved with a 2,254 square foot residence, which is not impacted by the acquisition.

Analysis: City staff has been attempting to negotiate a purchase of the identified properties but has been unable to reach an agreement with the owners. The tract at 1201 Seville was appraised at \$140,600. This amount was rejected but no counter offer has been received from the owner. The acquisition at 9625 West Maple was valued at \$316,500. The owner provided a counter offer of \$656,783. Staff will continue to negotiate with the owners during the eminent domain process.

Financial Considerations: The cost of this acquisition will be paid for by the City at large.

Legal Considerations: The Law Department has approved the resolution and ordinance as to form.

Recommendation/Action: Adopt the resolution and place the ordinance providing for the acquisition by eminent domain of certain real property and directing the City Attorney to file the appropriate proceedings in the District Court to accomplish such acquisition, on first reading.

RESOLUTION NO.

A RESOLUTION DECLARING THE NECESSITY FOR ACQUIRING PRIVATE PROPERTY FOR THE USE OF THE CITY OF WICHITA IN CONNECTION WITH PLANNED COWSKIN CREEK CHANNEL IMPROVEMENT PROJECT FROM KELLOGG TO MAPLE.

WHEREAS, the governing body has previously authorized the study and the preliminary design of certain improvements to the Cowskin Creek channel from Kellogg to Maple; and

WHEREAS, such study and preliminary design has identified the need to acquire several parcels of private property in order to properly complete such improvements; and

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS;

SECTION 1. The governing body hereby declares it to be necessary to acquire certain private property in connection with improvement of .

SECTION 2. The City Engineer is directed to make or cause to be made a survey and description of the lands and/or interests to be acquired and to have such survey and description filed with the City Clerk.

SECTION 3. That this Resolution shall take effect and be in force from and after its passage and publication once in the official City paper.

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PASSED by the governing body of the City of Wichita, Kansas, this day of, _April_ 2006.
CITY OF WICHITA

Carlos Mayans, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Gary E. Rebenstorf, Director of Law

Agenda Item No. 12

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report 06-0408

TO: Mayor and City Council

SUBJECT: Kansas Community Service Tax Credit Program Application (District I)

INITIATED BY: Housing and Community Services Department

AGENDA: Consent

Recommendation: Authorize the Mayor to sign the Local Government Endorsement Form.

Background: Each year since 1994, the Kansas Community Service Program (CSP) has offered a Tax Credit Program for non-profit organizations for use with major capital fund-raising drives for eligible projects. Capital projects eligible for tax credit awards include new facilities or expansion of existing facilities to operate such programs as community service, crime prevention, or health care. Under the program, contributors (usually private for profit companies) receive a tax credit equal to 50% of the amount donated to non-profits for one year following approval of the agency's tax credit application.

The Kansas Community Service Tax Credit Program is administered by the Kansas Department of Commerce. The Department has announced an allocation of \$4.1 million in tax credits for 2006, which will be awarded to eligible non-profit organizations. A Local Government Endorsement is recommended by the Kansas Department of Commerce. If the City does not approve the Local Government Endorsement, the applicant will lose points in the competitive application process.

Analysis: Rainbows United, Inc., has submitted a request for Local Government Endorsement of their State tax credit application for their capital campaign to support an early care and education facility for children. The application has been reviewed by the Housing and Community Services and Planning Departments, and was found to be consistent with the Consolidated Plan, local codes and zoning requirements.

Legal Considerations: The proposed application does not obligate the City to the project in any way.

Financial Considerations: Approval of the Local Government Endorsement does not obligate the City to fund any project or provide real property for the project.

Recommendations/Actions: It is recommended the City Council support the application and authorize the Mayor to sign the Local Government Endorsement Form.

SUMMARY

2007 KANSAS COMMUNITY SERVICE TAX CREDIT APPLICATION

Rainbows United, Inc.

Rainbows United, Inc., is requesting a total of \$225,000 in Kansas Community Service Tax Credits as a part of their target capital campaign goal of \$4,000,000. The purpose of the campaign is to fund construction of an early care and education facility to provide an enriched learning environment for approximately 100 young children with diverse needs and abilities. Services provided through the facility will include comprehensive evaluations and specialized assessments, therapy sessions, nursery care, health care, transportation, mental health services, classrooms for children with specific intervention needs (i.e., children with hearing impairments, children with autism spectrum disorder), and case management services. The center will also serve as a resource for parents seeking information, support and guidance in child rearing practices and will be a gathering place for community events such as screening clinics, health fairs, neighborhood celebrations, meeting, workshops and seminars. Pledges in the amount of \$1,420,000 have been secured. Funding would be used for: (1) new construction of an early childcare facility; and (2) an endowment to support ongoing operational costs of services at this center. The new early care facility will be located on the southwest corner of the intersection of K-96 and Oliver of northeast Wichita (bounded by Hillside to the west; Woodlawn to the east; 21st Street to the south and 69th Street to the north).

Agenda Item No. 13.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0409

TO: Mayor and City Council

SUBJECT: Prisoner Reentry Program (All Districts)

INITIATED BY: Housing and Community Services and Police Departments

AGENDA: Consent

Recommendation: Authorize creation of two grant funded positions, authorize establishment of a grant budget, and authorize necessary budget transfers and signatures.

Background: On March 8, 2005, the City Council approved a pilot project to serve 150 high-risk offenders scheduled for release in Sedgwick County. The project was originally presented in concept by the Task Force on Offender Reentry in 2004, at which time staff was directed to discuss the project with District Advisory Boards. Following those discussions in which all DABs voted in support of the project, it was presented for Council approval on March 8, 2005. The Council approved the project and authorized staff to work with the Kansas Department of Corrections and Sedgwick County to determine the extent and scope of the City's involvement in this project.

The staff work has resulted in the development of a Prisoner Reentry Project which will be funded with cash contributions from the State Department of Corrections and Sedgwick County, and in-kind support from the City of Wichita. The State/County funds will support salaries and equipment for two City of Wichita positions for three years. The City's in-kind match will include the value of office space, miscellaneous office supplies and equipment, and staff supervision. The City Council received a workshop presentation on March 28, 2006, on the Reentry program and companion neighborhood improvement initiative (Transforming Neighborhoods).

Analysis: The Prisoner Reentry Program will provide supervision and support services to 125-150 offenders who are returning to Wichita. The offenders are being identified from among the Kansas prison population and will receive intensive counseling and training prior to their return. The two funded City positions, Housing Landlord Leasing Specialist (subject to final classification by Human Resources) and Police Officer, will work with the offenders to facilitate their reintegration.

Legal Considerations: The City will be asked to confirm its in-kind match through a Memorandum of Agreement which will be approved as to form by the Law Department.

Financial Considerations: The City has no financial obligation other than as identified as in-kind match. The State/County funding commitment is \$47,500 for the Housing position and \$71,250 for the Police position, as spelled out in the Memorandum of Agreement.

Recommendations/Actions: It is recommended the City Council approve creation of two grant funded positions, authorize establishment of a grant budget, authorize necessary budget transfers and signatures.

Agenda Item No. 14.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0410

TO: Mayor and City Council

SUBJECT: Sewage Treatment Plant 1 Upgrade – Change Order

INITIATED BY: Water and Sewer Department

AGENDA: Consent

Recommendation: Approve the adjustment to the Contract with HDR Engineering, Inc. for design and construction phase oversight of the Plant 1 improvements.

Background: HDR was awarded a Contract in the amount of \$495,000 for the design and construction phase oversight of the Plant 1 Improvements project. The project involved the decommissioning of primary processes at Plant 1, the improvement of preliminary treatment processes and replacement of electrical switchgear.

Several modifications were made to this project as a result of unexpected difficulties, including the discovery of 700 feet of deteriorated 60-inch pipe and water infiltration into a key electrical component of the Plant 1 pump station. These required additional professional services from HDR and their subcontractors.

Analysis: This adjustment represents all of the modifications that will be made to the Contract with HDR as it applies to the Plant 1 Improvements project. An itemized breakdown and the details of the modifications in the Change Order are included in the letter from HDR. No further changes are expected before the completion of the project.

Financial Considerations: The Change Order is part of Capital Improvement Program S-523, Plant 1 Improvement. Proposed modifications will result in a net increase of \$73,393 representing a 14.8 percent increase to the original Contract. The items represent \$47,613 of the requested amount. The remaining \$25,780 is for additional inspection services required for completion of the project.

The current budget is \$5.2 million. The revised budget will be \$5,275,000. Savings from other Sewer Utility capital improvements projects will negate any impact to the current capital improvement program..

Legal Considerations: Law has reviewed the amended Resolution and Change Order and approved them as to form.

Recommendations/Actions: It is recommended that the City Council: 1) approve the Change Order; 2) approve amending the CIP; 3) adopt the amended Resolution; and 4) authorize the necessary signatures.

A RESOLUTION AMENDING RESOLUTION NO. 02-401 PERTAINING TO THE PLANT 1 IMPROVEMENTS (S-523) IN THE CITY OF WICHITA, KANSAS, PURSUANT TO FINDINGS OF ADVISABILITY MADE BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

SECTION 1. That Section 1 of Resolution No. 02-401 is hereby amended to read as follows:

“SECTION 1. It is hereby found and determined to be necessary and advisable to construct, reconstruct, alter, repair, improve, extend and enlarge the City of Wichita, Kansas Water and Sewer Utility such construction, reconstruction, alterations, repairs, improvements, extensions and enlargements to include, but not be limited specifically to, Plant 1 Improvements (S-523) (called the “Project”). The total costs of the Project are estimated to be \$5,275,000 exclusive of the cost of interest on borrowed money. Available and unencumbered funds of the Utility will be used to pay a portion of the costs of the Project.”

SECTION 2. That Section 3 of Resolution No. 02-401 is hereby amended to read as follows:

“SECTION 3. It is hereby found and determined to be necessary and advisable to issue revenue bonds of the City, in a total principal amount which shall not exceed five million two hundred seventy five thousand dollars (\$5,275,000) exclusive of the cost of interest on borrowed money, under the authority of the Act, to pay certain costs of the Project, and the expenses of issuing such revenue bonds. Such revenue bonds shall not be general obligations of the City payable from taxation, but shall be payable from the revenues derived from the operations of the Utility. Costs of the Project in excess of the proceeds of such revenue bonds shall be paid from unencumbered moneys of the Utility which will be available for that purpose.”

SECTION 3. That the original of Sections 1 and 3 of Resolution 02-401 is hereby rescinded.

Adopted at Wichita, Kansas, _____.

CARLOS MAYANS, Mayor

(Seal)

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

By _____
GARY E. REBENSTORF, Director of Law

Agenda Item No. 16.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0411

TO: Mayor and City Council

SUBJECT: Public Hearing and Tax Exemption Request
(Cox Machine, Inc.) (District V)

INITIATED BY: City Manager's Office

AGENDA: New Business

RECOMMENDATION: Close the public hearing, approve first reading of the Ordinance and tax exemption request.

BACKGROUND: On November 20, 2001, City Council approved a five-plus-five year 98% Economic Development Tax Exemption to Cox Machine, Inc. (Cox Machine) for an expansion project that resulted in the construction of a new facility and the purchase of new machinery and equipment. On April 6, 2004, City Council also approved a 61% tax exemption on new manufacturing equipment.

Cox Machine Inc., located at 5338 W. 21st N. in northwest Wichita, was locally formed in 1954. Since its establishment, Cox Machine has achieved consistent growth in its manufacturing of parts for the aerospace industry. Cox Machine recently expanded its manufacturing capacity through acquisition of new machinery and equipment in the amount of \$840,163. Based on a letter of intent, Cox Machine is now requesting approval of an Economic Development Tax Exemption on newly acquired manufacturing equipment in conjunction with the expansion project.

ANALYSIS: Cox Machine, Inc., is engaged in the manufacture of high quality small parts for the aerospace industry. Cox Machine has a CDC milling department that uses CAD programs, which optimize programming capabilities. Cox Machine also has a grinding department that offers thread grinding and includes centerless as well as cylindrical grinding. Other operations offered by Cox Machine is gun drilling, EDM, sheet metal fabrication, small assembly operations, kitting and engineering. Customers include Raytheon, Boeing, Bombardier, Cessna, Northrop, Lockheed Martin, Middle River, and the U.S. Government among others. Cox Machine exports 96% of its production outside of the State of Kansas.

Staff conducted a site-monitoring visit on March 4, 2004, and as a result of the 2001 and 2004 expansions, Cox Machine had increased employment by 12 employees and is close to meeting the terms and conditions under which the City granted the exemption. Cox Machine currently has 53 employees and projects to add an additional 20 employees over the next five years by expanding operations through acquisition of new manufacturing equipment.

Cox Machine's expansion project is itemized in Exhibit I attached hereto. Under the City's Economic Development Incentive Policy, Cox Machine is eligible for the following:

TAX EXEMPTION ELIGIBILITY

ELIGIBLE %	INCENTIVE	EXPLANATION
56.00%	New Job Creation:	Cox Machine will create at least 20 new jobs.
15.25%	Capital Improvements	Cox Machine will invest at least \$840,163.
71.25%	Sub Total Business – Incentive Eligibility (Maximum allowed is 100%)	
00.00%	Location Premium:	Cox Machine is not located in the central redevelopment area.

71.25% TOTAL EXEMPTION ALLOWED UNDER ECONOMIC DEVELOPMENT INCENTIVE POLICY

Under the Economic Development Incentive Policy, Cox Machine is eligible for a 70% tax exemption on new personal property for a five-year term. A notice of public hearing has been published. Cox Machine has agreed to comply with the conditions set forth in the Economic Development Incentive Agreement.

Financial Considerations: The estimated first year taxes on Cox Machine's proposed \$840,163 expansion would be \$20,422 on personal property, based on the 2005 mill levy. Using the allowable tax exemption of 70 percent, the City would be exempting (for the first year) \$14,540 of new taxes from the personal property tax rolls. The tax exemption will be shared among the taxing entities as follows: City - \$4,088; County/State - \$3,878; and USD 259 - \$6,574.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	3.16 to one
Sedgwick County	2.49 to one
USD 266	1.27 to one
State of Kansas	9.43 to one

Legal Considerations: The City Attorney's Office has approved the Ordinance as to form.

Recommendations/Actions: It is recommended that the City Council close the public hearing, and approve first reading of the Ordinance granting a 70% tax exemption on the identified personal property improvements for a five year term.

COX MACHINE, INC.

Exhibit I

Equipment purchases

2004 Equipment

SMW 2100 All Electric Servo Bar Loader	\$ 7,091
Fadal 8030 Boxway Horizontal Machining Center	81,400
Tipshear-Beere Precision Products	1,936
Drill Sharpener-Darex Corp.	3,044
Electrical Discharge Machine	2,475
KIWA KNH 426	370,000
Inspection Equipment	718
Horizontal Machining Center – Makino	356,160
Parlec Tool Preselter – Makino	14,536
Parlec-90 Deg Double End Driven Tool	1,403
8 Digit Tool Code – Makino	<u>1,400</u>
Total Equipment	\$ 840,163

Total Expansion Project \$ 840,163

Agenda Item No. 17.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0412

TO: Mayor and City Council

SUBJECT: Public Hearing and Tax Exemption Request
(ZTM, Inc.)(District III)

INITIATED BY: City Manager's Office

AGENDA: New Business

RECOMMENDATION: Close the Public Hearing, approve first reading of the Ordinance and tax exemption request.

BACKGROUND: On December 19, 2000, City Council approved a five-plus-five year 98% ad valorem tax exemption to ZTM, Inc. (ZTM) for an expansion that included acquisition of an existing facility and purchase of new manufacturing equipment. On November 20, 2001, City Council also approved a 74.5% five-year tax exemption on acquisition of new manufacturing equipment, February 3, 2004, approved a 61% tax exemption on new manufacturing equipment, and on May 3, 2005, City Council approved a 62.5% tax exemption on new manufacturing equipment.

Since establishment, ZTM has sustained consistent growth in manufacturing parts for the aerospace industry. ZTM has once again expanded its manufacturing capacity, to include acquisition of new manufacturing equipment in the amount of \$568,179. Based on a letter of intent, ZTM is now requesting approval of an Economic Development Tax Exemption on acquisition of new manufacturing equipment in conjunction with their expansion.

ANALYSIS: ZTM located at 4011 E. 31st S. in southeast Wichita, was locally formed in 1996. ZTM is a manufacturer of large, complex precision machine parts and assemblies for the aerospace industry. ZTM mills close-tolerance component aircraft parts in support of Wichita's major aircraft manufacturers. ZTM has assembled an impressive and efficient array of equipment, including 3-axis and 4-axis machines. ZTM also performs tooling and prototype work for the aircraft industry. ZTM utilizes sophisticated computer-controlled manufacturing equipment for their precise milling work. ZTM uses state of the art computer automated part loading, high-speed tool changer and chip removal, for speed and efficiency. Their capabilities include manufacturing parts from aluminum, steel, titanium and inconell.

Staff conducted a site-monitoring visit on March 17, 2005; ZTM is in compliance with all the terms and conditions under which the City granted the 2001 exemption. ZTM currently employs 57 employees, which the company has added 10 new employees since 2004. ZTM projects to add an additional 9 new jobs over the next five years, at an average annual salary of \$54,479.

ZTM's major customers include Spirit Aerosystems/Boeing Wichita and Boeing Seattle. ZTM exports 100% of all production of out Kansas.

The expansion project is itemized in Exhibit I attached hereto. Under the Economic Development Incentive Policy, ZTM is eligible for the following property tax abatement:

TAX EXEMPTION ELIGIBILITY

<u>ELIGIBLE % INCENTIVE</u>	<u>EXPLANATION</u>
38.0%	New Job Creation: ZTM will create at least 9 new jobs.
10.8%	Capital Improvements: ZTM will invest at least \$568,179.
48.8%	Sub Total Business - Incentive Eligibility (Maximum allowed is 100%)
<u>00.0%</u>	Location Premium: ZTM is not located in the central redevelopment area.

48.8% TOTAL EXEMPTION ALLOWED UNDER ECONOMIC DEVELOPMENT
INCENTIVE POLICY

Under the Economic Development Incentive Policy, ZTM is eligible for a 50% tax exemption on new personal property for a five-year term. A notice of public hearing has been published. Cox Machine has agreed to comply with the conditions set forth in the Economic Development Incentive Agreement.

Financial Considerations: The estimated first year taxes on the proposed \$568,179 expansion would be \$13,811 on personal property, based on the 2005 mill levy. Using the allowable tax exemption of 49 percent, the City would be exempting (for the first year) \$6,739 of new taxes from the personal property tax rolls. The tax exemption will be shared among the taxing entities as follows: City - \$1,894; County/State - \$1,798; and USD 259 - \$3,047.

Wichita State University Center for Economic Development and Business Research calculated a cost-benefit analysis indicating benefit-to-cost ratios, which are as follow:

City of Wichita	3.60 to one
Sedgwick County	3.13 to one
USD 259	1.29 to one
State of Kansas	8.22 to one

Legal Considerations: The City Attorney's Office has approved the Ordinance as to form.

Recommendations/Actions: It is recommended that the City Council close the public hearing, and approve first reading of the Ordinance granting a 50% tax exemption on the identified personal property improvements for a five year term.

Exhibit I

Equipment Purchases:

Cubes for Toyoda	\$ 29,700
Shelving	8,182
Storage Cabinets w/bins	5,294
Hyster Forklift	7,350
Toyoda Horizontal Machining Center #4	458,925
Spindle	34,414
Coolant System	<u>24,314</u>

Total Equipment	\$ 568,179
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Total Expansion Project	\$ 568,179
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Agenda Item No. 18.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0413

TO: Mayor and City Council

SUBJECT: Public Hearing on the Establishment of a Redevelopment District (Tax Increment Financing) for the 47th & Broadway Redevelopment Project (District IV)

INITIATED BY: City Manager's Office

AGENDA: New Business

Recommendation: Close the public hearing and place the ordinance on first reading.

Background: On March 7, 2006, the City Council approved D.J. Christie, Inc. as the preferred developer of a redevelopment project in the area of 47th Street South and Broadway; approve a letter of intent to provide Tax Increment Financing in an amount not-to-exceed \$1,500,000, and adopted a resolution stating its intent to consider the establishment of a redevelopment district. The resolution set 10:00 a.m. on April 18, 2006, as the time for a public hearing before the City Council on this matter. Copies of the resolution were mailed to all owners and occupants of property in the proposed area, and to the Board of Sedgwick County Commissioners and the U.S.D. 259 Board of Education, according to state law.

Analysis: David Christie, a commercial real estate developer from Overland Park, Kansas, approached the City of Wichita with a proposal to redevelop a 21-acre area at the southwest corner of 47th Street South and Broadway. Mr. Christie's plan for the first phase of development of this area calls for the replacement of the existing multi-tenant shopping center at that location with a new, 135,000 square foot Home Depot store and the construction of a new 30,000 square foot retail center on the vacant land adjacent to the west. The total development cost for this phase of the development is estimated at \$8.6 million. Total employment is expected to be 200 jobs at an average wage of \$12 per hour. Mr. Christie has asked the City to assist with the redevelopment project by providing tax increment financing (TIF) in an amount not-to-exceed \$1.5 million to pay for infrastructure, demolition, site work, parking, landscaping and relocation costs.

The proposed redevelopment district is bounded on the west by South Water Street, on the east by South Broadway Street, on the south by East 48th Street South and on the north by East 47th Street South. The district includes a multi-tenant strip retail shopping center built in 1965 and several smaller commercial retail stores and restaurants built on "out parcels" located along 47th Street South and South Broadway Street.

Tax increment financing allows the increased tax revenue resulting from the redevelopment of property to be reinvested in the redevelopment project. Once a TIF district is established and a redevelopment project plan is adopted by City Council, the increment of increased tax revenue is set aside by the County Treasurer and can be used by the City to repay bonds issued to finance certain improvements that are specified in the redevelopment project plan.

Tax increment financing falls under the City's Economic Development Incentive Policy, and as such this project will be subject to the provisions of said Policy, unless specifically waived or adjusted by the City Council. For example, it may be necessary to waive or adjust the requirement that projects must show a cost-benefit ratio of at least 1.3 to one in order to receive incentives. As a commercial redevelopment project consisting of retail businesses, it is unlikely the project will qualify under that requirement.

The Board of County Commissioners and the Board of Education for USD 259 will have 30 days following the public hearing to determine whether the district will have an adverse impact on them, effectively precluding the use of tax increment financing. If the County and School District approve, the tax increment financing district will be established. It will still be up to the City Council to approve the actual use of tax increment financing by adopting a redevelopment plan for the 47th & Broadway Redevelopment District that includes tax increment financing. Once a redevelopment plan is adopted and sent to the County Clerk, the tax increment revenue generated by redevelopment will be set aside and deposited into a special fund for its prescribed use. TIF revenue will continue to be set-aside in this way until all TIF-financed improvements have been paid, including the retirement of any TIF bonds.

Financial Considerations: The establishment of a redevelopment district will facilitate the use of tax increment financing to pay the cost of a portion of public improvements constructed in conjunction with the proposed 47th & Broadway redevelopment project. Only if the project is approved, a redevelopment plan adopted, and the specific improvements authorized by Council action, will the tax increment revenues generated in the district will actually be utilized.

Legal Considerations: The ordinance establishing the redevelopment district has been approved by the City's Law Department. The City Council may amend the proposed boundaries of the redevelopment district at the time of adoption of the ordinance.

Recommendations/Action: It is recommended that the City Council close the public hearing and place on first reading the ordinance establishing the 47th & Broadway Redevelopment District area.

Agenda Item No. 19.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0414

TO: Mayor and City Council Members

SUBJECT: Appeal of Historic Preservation Board action regarding demolition of 123-125 East Douglas. (District I) HPC2006-00031

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (non-consent)

Staff Recommendation: Defer action, instructing the applicant to resubmit materials that demonstrate that there is “no feasible and prudent alternative to the proposal and that the program includes all possible planning to minimize harm to such historic property resulting from such use”.

Background: At the March 13, 2006 Historic Preservation Board meeting, the applicant requested approval for demolition of a commercial building located at 123-125 East Douglas. Lowell Richardson, a representative of the owners of the property, filed a Certificate of Appropriateness application to demolish and replace it with a 15-space surface parking lot. The property is located within the Central Business zoning district and requires no on-site parking.

This property is located within 500 feet of the Old City Hall – 204 S. Main, the Wheeler Kelly Hagney Building – 120 S. Market, and the Kress Building – 224 E. Douglas which are listed in the Wichita Register of Historic Places, the Register of Historic Kansas Places and the National Register of Historic Places. Kansas State Statute K.S.A. 75-2715 – 75-2725 requires that projects occurring within 500 feet of a state or national register listed property or district be reviewed. The review guidelines set forth specific considerations for evaluation. According to the Sanborn Fire Insurance Maps, a brick building has been in this location since 1887. Although the building is not historically significant, it is part of an intact block face that is typical of the historic character of the commercial area. Removal of the structure for a surface parking lot located in a row of zero-lot line structures does not meet the intent of Environs Design Review Standards Guideline 1 or Guideline 2.

Guideline #1 specifies, “The character of a historic property’s environs should be retained and preserved. The removal or alteration of distinctive buildings, structures, landscape features, spatial relationships, etc. that characterize the environs should be avoided.”

Guideline #2 specifies, “The environs of a property should be used as it has been historically or allow the inclusion of new uses that require minimal change to the environs’ distinctive materials, features, and spatial relationships.” Demolition of character-defining features or structures with no plans for compatible replacement features or structures is not recommended. Demolition of character-defining structure(s) with the intention of creating open space, such as a parking lot or park is not recommended.

The RTKL Downtown Master Plan, adopted by City Council in 1989, further recommends against creating any openings in the block faces along Douglas Avenue.

In November 2005, the Historic Preservation Board reviewed a request for demolition of 115-121 East Douglas and construction of a multi-level parking garage to be built in its place. HPB granted approval of the demolition and is requiring the applicant to present the final design of the parking garage exterior for approval. The 123-125 East Douglas surface lot would be immediately east of the new parking garage structure.

By a 5-0 vote, the HPB denied the demolition of 123-125 East Douglas because replacing a building with a surface parking lot instead of another structure with similar materials, massing and setback does not meet the environs review standards outlined in K.S.A. 75-2715 – 75-2727 and would erode the historic context of the Old City Hall, Wheeler Kelly Hagney Building and the Kress Building. The applicant is appealing the decision of the HPB.

Financial Considerations: None to the city.

Legal Consideration: The HPB has a programmatic agreement with the State Historic Preservation Office to review applications for all properties individually listed or listed in historic districts in the state/national register of historic places. The Council has review authority over the decision of the Historic Preservation Board, as provided for in K.S. A. 75- 2724 and the City Code Section 2.12.1023(c), and (f). In order for the City Council to overturn the decision of the HPB, all relevant factors must be considered and must find there is no “feasible and prudent alternative to the proposal and that the program includes all possible planning to minimize harm to such historic property resulting from such use”.

Recommendations/Actions: Defer action, instructing the applicant to resubmit materials that demonstrate that there is “no feasible and prudent alternative to the proposal and that the program includes all possible planning to minimize harm to such historic property resulting from such use”.

Agenda Item No. 20.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0415

TO: Mayor and City Council Members

SUBJECT: SUB 2005-82 - Plat of Conquest North 2nd Addition, Located South of 29th Street North and West of Hillside. (District I)

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Approve the plat.
MAPC Recommendation: Approve the plat. (9-0)

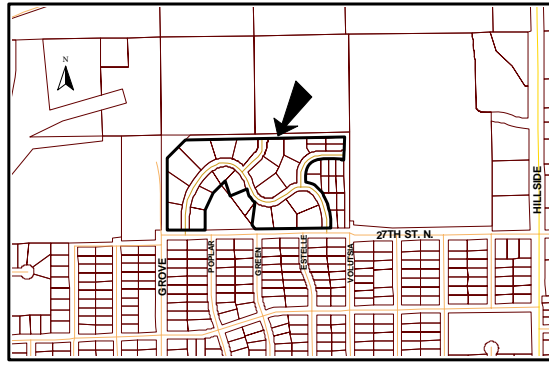
Background: This site, consisting of 53 lots on 15.17 acres, is a replat of a portion of the Conquest North Addition and is located within Wichita's city limits. The site is zoned TF-5, Two-family Residential District. The Conquest North Community Unit Plan (CUP/DP-24) has been approved, and a Notice of Community Unit Plan (CUP) has been submitted.

Analysis: City water services are available. Petitions, 100 percent, and a Certificate of Petitions have been submitted for sewer and drainage improvements. A Restrictive Covenant was submitted to provide for the creation of a Lot Owners' Association for the ownership and maintenance of the reserves and private street.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

Legal Considerations: The Notice of Community Unit Plan, Certificate of Petitions and Restrictive Covenant will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council approve the documents and plat, adopt the Resolutions and authorize the necessary signatures.



Agenda Item No. 21.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0416

TO: Mayor and City Council Members

SUBJECT: SUB 2005-87 -- Plat of Crestlake Addition, Located on the North Side of Central and West of 127th Street East.
(District II)

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Approve the plat.

MAPC Recommendation: Approve the plat. (12-0)

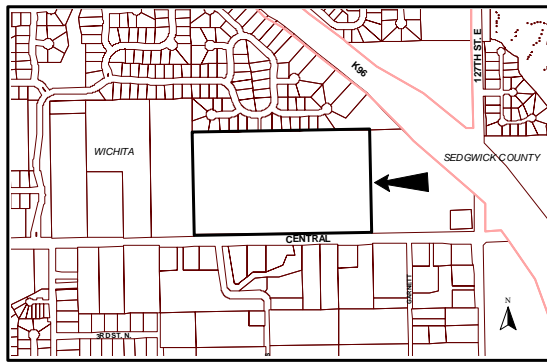
Background: This site, consisting of 66 lots on 35.97 acres, is located in Wichita's city limits. This site is zoned SF-5, Single-Family Residential District.

Analysis: Petitions, 100 percent, and a Certificate of Petitions have been submitted for street, sewer, water and drainage improvements. Restrictive Covenants were submitted to: 1) provide for the creation of a Lot Owners' Association for the ownership and maintenance of the reserves being platted for drainage purposes; and 2) provide four off-street parking spaces per dwelling unit on each lot that abuts a 58-foot street.

This plat has been reviewed and approved by the Planning Commission, subject to conditions and recording within thirty (30) days.

Legal Considerations: The Certificate of Petitions and Restrictive Covenants will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council approve the documents and plat, adopt the Resolutions and authorize the necessary signatures.



Agenda Item No. 22.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0417

TO: Mayor and City Council Members

SUBJECT: DED 2006-07 -- Dedication of a Utility Easement, Located North of 29th Street North and West of Broadway. (District VI)

INITIATED BY: Metropolitan Area Planning Department

AGENDA ACTION: Planning (Consent)

Staff Recommendation: Accept the Dedication.

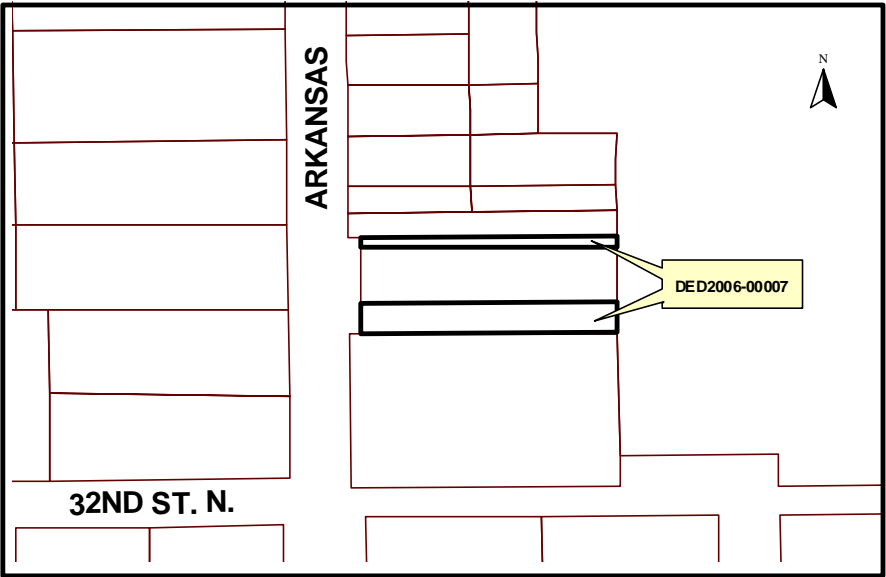
Background: This Dedication is associated with a lot split case (SUB 2006-20). The Dedication is for construction and maintenance of public utilities.

Analysis: None.

Financial Considerations: None.

Legal Considerations: The Dedication will be recorded with the Register of Deeds.

Recommendations/Actions: It is recommended that the City Council accept the Dedication.



Agenda Item No. 23.

City of Wichita
City Council Meeting
April 18, 2006

Agenda Report No. 06-0418

TO: Wichita Airport Authority

SUBJECT: Purchase of Airfield Sweeper
Wichita Mid-Continent Airport

INITIATED BY: Airport Department

AGENDA: Wichita Airport Authority (Consent)

Recommendation: Increase capital project budget.

Background: On March 21, 2006 three bids were received for the purchase of a new airfield sweeper. The new equipment will replace an airfield sweeper that is 11 years old.

Analysis: The lowest bid received from Midwest Truck Equipment was higher than the estimated budget amount.

Financial Considerations: An increase of \$11,000 is requested for the purchase of the equipment. The adjusted budget total is \$161,000. Funds will come from Passenger Facility Charge (PFC) collections.

Legal Considerations: None.

Recommendations/Actions: It is recommended that the Wichita Airport Authority approve the capital project budget increase.

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